


Basic information	
<p><b>2003/0012(CNS)</b></p> <p>CNS - Consultation procedure Regulation</p>	Procedure completed
<p>Common agricultural policy CAP, reform: milk and milk products, introduction of a levy</p> <p>Amended by <a href="#">2004/0253(CNS)</a> Amended by <a href="#">2006/0108(CNS)</a></p> <p><b>Subject</b></p> <p>3.10.05.02 Milk and dairy products 3.10.15 Agricultural production, farm surpluses, shortages and quotas, non-marketing premiums</p>	

Key players				
European Parliament	<b>Committee responsible</b>		<b>Rapporteur</b>	<b>Appointed</b>
	<span style="border: 1px solid red; padding: 2px;">AGRI</span> Agriculture and Rural Development		JEGGLE Elisabeth (PPE-DE)	23/01/2003
	<b>Committee for opinion</b>		<b>Rapporteur for opinion</b>	<b>Appointed</b>
	<span style="border: 1px solid red; padding: 2px;">BUDG</span> Budgets		HERRANZ GARCÍA Esther (PPE-DE)	28/01/2003
Council of the European Union	<b>Council configuration</b>		<b>Meetings</b>	<b>Date</b>
	Agriculture and Fisheries		2516	2003-06-25
	Agriculture and Fisheries		2481	2003-01-27
	Agriculture and Fisheries		2528	2003-09-29
European Commission	<b>Commission DG</b>		<b>Commissioner</b>	
	Agriculture and Rural Development			

Key events			
Date	Event	Reference	Summary
21/01/2003	Legislative proposal published	<a href="#">COM(2003)0023</a> 	Summary
27/01/2003	Debate in Council		
13/02/2003	Committee referral announced in Parliament		
20/05/2003	Vote in committee		Summary
20/05/2003	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A5-0177/2003</a>	

03/06/2003	Debate in Parliament	<a href="#">CRE link</a>	
05/06/2003	Decision by Parliament	<a href="#">T5-0261/2003</a>	<a href="#">Summary</a>
29/09/2003	Act adopted by Council after consultation of Parliament		
29/09/2003	End of procedure in Parliament		
21/10/2003	Final act published in Official Journal		

Technical information	
<b>Procedure reference</b>	2003/0012(CNS)
<b>Procedure type</b>	CNS - Consultation procedure
<b>Procedure subtype</b>	Legislation
<b>Legislative instrument</b>	Regulation
	Amended by <a href="#">2004/0253(CNS)</a> Amended by <a href="#">2006/0108(CNS)</a>
<b>Legal basis</b>	EC Treaty (after Amsterdam) EC 037
<b>Stage reached in procedure</b>	Procedure completed
<b>Committee dossier</b>	AGRI/5/19129

Documentation gateway				
<b>European Parliament</b>				
Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A5-0177/2003</a>	20/05/2003	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T5-0261/2003</a> OJ C 068 18.03.2004, p. 0333-0577 E	05/06/2003	<a href="#">Summary</a>
<b>European Commission</b>				
Document type	Reference	Date	Summary	
Legislative proposal	<a href="#">COM(2003)0023</a> 	21/01/2003	<a href="#">Summary</a>	
<b>Other institutions and bodies</b>				
Institution/body	Document type	Reference	Date	Summary
ESC	Economic and Social Committee: opinion, report	<a href="#">CES0586/2003</a> OJ C 208 03.09.2003, p. 0045-0049	14/05/2003	
CofR	Committee of the Regions: opinion	<a href="#">CDR0066/2003</a> OJ C 256 24.10.2003, p. 0018-0023	02/07/2003	

Additional information		
Source	Document	Date

European Commission	EUR-Lex	
---------------------	---------	--

<b>Final act</b>		
<a href="#">Regulation 2003/1788</a> <a href="#">OJ L 270 21.10.2003, p. 0123-0136</a>		<a href="#">Summary</a>
<a href="#">Corrigendum to final act 32003R1788R(03)</a> <a href="#">OJ L 110 22.04.2008, p. 0016</a>		
<a href="#">Corrigendum to final act 32003R1788R(01)</a> <a href="#">OJ L 094 31.03.2004, p. 0071</a>		

## Common agricultural policy CAP, reform: milk and milk products, introduction of a levy

2003/0012(CNS) - 05/06/2003 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by Elisabeth JEGGLE (EPP-ED, Germany) and made some amendments to the Commission's proposal. (Please see the summary of 20/05/03). Parliament specified that the increases in reference quantities provided for as of the 2005/2006 marketing year would come into effect only if the situation of the milk and milk-products market were favourable. The level of public stocks of butter and skimmed-milk powder must not exceed a limit to be determined. The decision in this regard shall be taken at the latest two months before the beginning of each of the marketing years concerned. Parliament also stated that only widespread milk production would continue to ensure extensive agricultural land use, particularly in grassland and disadvantaged areas. Extensive agricultural land use was the only way of preventing the formation of steppe, woodland and scrub, as well as the rural exodus. The milk quota system should be maintained until 2015, because this would allow an adequate balance to be maintained on the milk market and would enable the income of producers to be stabilised. Moves to adjust the size of national quotas should be carefully assessed after the Agenda 2000 decisions have been implemented in their entirety.

## Common agricultural policy CAP, reform: milk and milk products, introduction of a levy

2003/0012(CNS) - 29/09/2003 - Final act

**PURPOSE** : to establish a levy in the milk and milk products sector and to repeal Regulation 3950/92/EC. **LEGISLATIVE ACT** : Council Regulation 1788/2003/EC establishing a levy in the milk and milk products sector. **CONTENT** : the Council formally adopted the Regulations on reform of the Common Agricultural Policy, without debate and by a qualified majority, the Portuguese delegation voting against the "horizontal" Regulation and the Regulation establishing a levy in the milk and milk products sector. Statements by the Council, Belgium, France, the Netherlands, Luxembourg, Austria, Finland, the United Kingdom, Portugal (giving reasons for voting against) and the Commission are appended to the legal texts adopted. Initially based on principles (Articles 32 to 38 of the Treaty) intended to ensure self-sufficiency in food for the European Community by increasing agricultural productivity, to guarantee a high income to farmers, to stabilise markets and to provide agricultural products at a reasonable price to consumers, the reformed CAP henceforth introduces a new key element, a pillar of the reform, which is the partial decoupling of production-related aid, based on a reference period (2000-2002); it now makes payment of such aid conditional on compliance with rules on the environment, animal welfare, hygiene standards and preservation of the countryside. The key elements of the new, reformed CAP in a nutshell: - a single farm payment for EU farmers, independent from production; limited coupled elements may be maintained to avoid abandonment of production, - this payment will be linked to the respect of environmental, food safety, animal and plant health and animal welfare standards, as well as the requirement to keep all farmland in good agricultural and environmental condition ("cross-compliance"), - a strengthened rural development policy with more EU money, new measures to promote the environment, quality and animal welfare and to help farmers to meet EU production standards starting in 2005, - a reduction in direct payments ("modulation") for bigger farms to finance the new rural development policy, - a mechanism for financial discipline to ensure that the farm budget fixed until 2013 is not overshot, - revisions to the market policy of the CAP: - asymmetric price cuts in the milk sector: The intervention price for butter will be reduced by 25% over four years, which is an additional price cut of 10% compared to Agenda 2000, for skimmed milk powder a 15% reduction over three years, as agreed in Agenda 2000, is retained, - reduction of the monthly increments in the cereals sector by half, the current intervention price will be maintained, - reforms in the rice, durum wheat, nuts, starch potatoes and dried fodder sectors. - Milk products : the Council decided the prolongation of a reformed dairy quota system until the 2014/15 campaign. The Council decided on asymmetric price cuts in the milk sector. The intervention price for butter will be reduced by 25% (-7% in 2004, 2005, 2006 and -4% in 2007), which is an additional price cut of 10% compared to Agenda 2000. For skimmed milk powder prices will be cut by 15% (in 5% steps over three years from 2004 to 2006), as agreed in Agenda 2000. Intervention purchases of butter will be suspended above a limit of 70 000 tonnes in 2004 and falling to 30 000 from 2007. Above that limit, purchases may be carried out under a tender procedure. The target price for milk will be abolished. The compensation is fixed as follows: EUR 11.81/t in 2004, EUR 23.65 in 2005 and EUR 35.5 from 2006 onwards. The single farm payment will only apply in the dairy sector once the reform is fully implemented, unless Member States decide to introduce it earlier. The Council decided to increase the milk quotas for Greece (+120 000t) and on a temporary exemption for the Azores regarding milk quota implementation of 73 000t in 2003/2004, 61 500t in 2004/2005 and 50 000t from 2005/2006 onwards. **ENTRY INTO FORCE** : 28/10/03.

## Common agricultural policy CAP, reform: milk and milk products, introduction of a levy

2003/0012(CNS) - 21/01/2003 - Legislative proposal

PURPOSE : to establish a levy in the milk and milk products sector and to repeal Regulation 3950/92/EC. CONTENT : for 11 consecutive periods of twelve months commencing on 1 April 2004, a levy is proposed on quantities of cow's milk and other milk products marketed during the twelve-month period concerned in excess of the quantities fixed in Annex I to the draft Regulation. The main purpose is to reduce the imbalance between supply and demand on the milk and milk-products market and achieve better market equilibrium. The levy is set at 115% of the target price for milk. (Please refer to CNS/2003/0011). Before 1 September following the twelve-month period concerned, the Member States will pay the EAGGF a sum equivalent to the levy calculated on every overrun of the reference quantities set out in Annex I, taking account of the reference fat content fixed in Annex II of the draft Regulation. The levy will be entirely allocated among the producers who have contributed to the overruns in line with the individual reference quantities provided for in this proposal. Producers may have either one or two reference quantities, one for deliveries and the other for sales. Quantities may be transferred from one reference quantity to the other only by the competent authority of the Member State, at the duly justified request of the producer.